

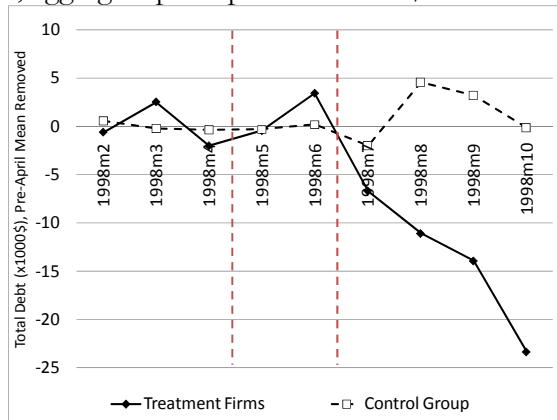
**Internet Appendix to**  
**“Public Information and Coordination:  
Evidence from a Credit Registry Expansion”**

**Figure IA.1**

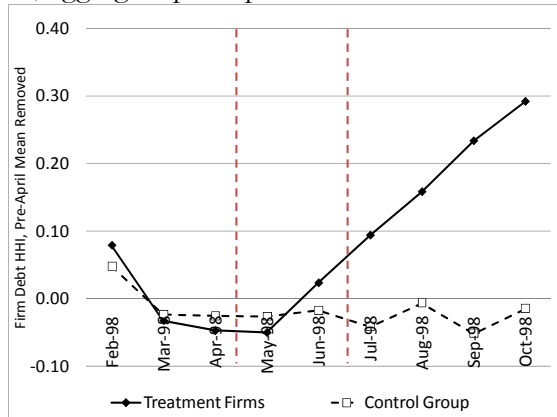
**Firm Characteristics by Month, Treatment and Control Groups**

The plots represent the time series of firm statistics for treatment and control firms for the subsample for firms with at least one rating of 2 before the registry expansion announcement. Treatment (control): firms whose information was not (was) shared before the registry expansion. Mean and trend of median debt (Panel A) and average debt HHI (Panel B) estimated during the pre-announcement period (January through April 1998) have been removed to ease interpretation. The vertical lines enclose the interim period after the registry expansion announcement and before the actual information sharing took place.

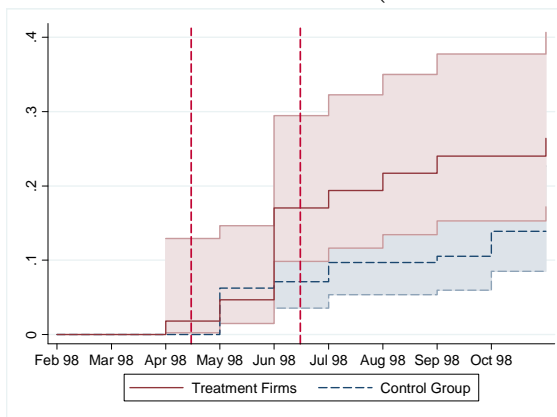
Panel A. Median Debt, aggregate pre-April 1998 mean/trend removed from entire series



Panel B. Firm Debt HHI, aggregate pre-April 1998 mean/trend removed from entire series



Panel C. Cumulative Default Hazard (control firms: treat=0)



**Table IA.1**

**Effect of Registry on Ratings, Collateral and Debt Concentration: Regression Discontinuity**

Estimated effect of the registry before its expansion (March 1998) using the regression discontinuity approach according to the following specification:

$$y_i = \beta \cdot 1[\text{TotalDebt} > 200,000] + \gamma_1 \cdot [\text{TotalDebt}] + \gamma_2 \cdot [\text{TotalDebt}^2] + \gamma_3 \cdot [\text{TotalDebt}^3] + \gamma_4 \cdot [\text{TotalDebt}^4] + \varepsilon_i$$

Findings confirm the observed patterns in Figure 3 Panel B in the paper. Firms above and below \$200,000 have similar risk and collateral but firms above the \$200,000 threshold have fewer lenders and higher debt concentration.

Dependent Variable:	1[Rating = 1]	Collateral/Debt	Number of Lenders	Debt HHI
	(1)	(2)	(3)	(4)
1[Total Debt above \$200,000]	-0.036 (0.031)	0.049 (0.046)	-0.398*** (0.112)	0.100*** (0.021)
Total Debt	-0.030 (0.060)	0.124 (0.090)	0.602*** (0.219)	-0.105*** (0.041)
(Total Debt) <sup>2</sup>	0.000 (0.000)	-0.001 (0.001)	-0.005*** (0.002)	0.001*** (0.000)
(Total Debt) <sup>3</sup>	0.000 (0.000)	0.000 (0.000)	0.000*** (0.000)	-0.000*** (0.000)
(Total Debt) <sup>4</sup>	0.000 (0.000)	0.000 (0.000)	-0.000*** (0.000)	0.000*** (0.000)
Observations	1,006	1,006	1,006	1,006
R-squared	0.004	0.017	0.037	0.067

**Table IA.2**  
**Coefficients for Difference-in-Differences Estimation of Table 2**

Estimated difference-in-differences (DD) effect of the registry expansion announcement (interim period) and public information (post-expansion period) on (log) debt levels, using specification (1):

$$\ln(\text{Debt}_{it}) = \alpha_i + \xi_t + \delta_i t + \sum_{m=-2}^{12} \gamma_m \text{Treat}_i I(m=t)_t + \varepsilon_{it}$$

Sample: firms with total debt between \$175,000 and \$225,000 before April 1998, and whose highest (worst) risk rating during the pre-announcement period is a 2, and with at least one rating of 2 (firms with only good ratings excluded). Columns 1 through 4 are estimated over the subsample of firms with multiple lenders, and column 5 on the subsample with a single lender, before the expansion announcement. Dependent variables: (log) debt of borrower  $i$  at time  $t$  with all banks (columns 1 and 5), debt with the banks that assigned the worst rating (columns 2 and 3), and debt with the banks that assigned the best rating (column 4). Right-hand side variable of interest: interaction between a dummy equal to one if borrower  $i$  was in the treatment group (information not shared before registry expansion), and a month dummy. Coefficients  $\gamma_t$  represent the monthly (log) debt of firms in the treatment group relative to firms in the control. DD estimates are obtained by subtracting from each coefficient  $\gamma_t$  the average coefficients in the pre-expansion period,  $\gamma_{-2}$ ,  $\gamma_{-1}$ , and  $\gamma_0$  (February through April 1998). Statistical significance of DD estimates based on Wald test of null that the difference is equal to zero. \*, \*\*, and \*\*\* indicate test statistically significant at the 10%, 5%, and 1% level.

Subsample: Highest (worst)		2		2 (at least one 1)		2 (single lender)				
Risk Rating before April										
Dependent Variable	ln(Debt <sub>it</sub> )		ln(Debt from Banks w/ Rating = 2 <sub>it</sub> )		ln(Debt from Banks w/ Rating = 2 <sub>it</sub> )		ln(Debt from Banks w/ Rating = 1 <sub>it</sub> )		ln(Debt <sub>it</sub> )	
	(1)		(2)		(3)		(4)		(5)	
	$\gamma_t$	DD ( $\gamma_t - \gamma_{Pre}$ )	$\gamma_t$	DD ( $\gamma_t - \gamma_{Pre}$ )	$\gamma_t$	DD ( $\gamma_t - \gamma_{Pre}$ )	$\gamma_t$	DD ( $\gamma_t - \gamma_{Pre}$ )	$\gamma_t$	DD ( $\gamma_t - \gamma_{Pre}$ )
<b>Interim Period</b>										
Treat × I[t = 05 1998] ( $\gamma_1$ )	0.014 (0.077)	0.020 (0.061)	-0.302 (0.133)	-0.155** (0.069)	-0.34 (0.205)	-0.226** (0.096)	0.112 (0.138)	0.021 (0.077)	-0.015 (0.119)	-0.032 (0.061)
Treat × I[t = 06 1998] ( $\gamma_2$ )	-0.053 (0.119)	-0.047 (0.111)	-0.441 (0.207)	-0.294* (0.174)	-0.502 (0.285)	-0.388* (0.231)	0.066 (0.170)	-0.024 (0.139)	-0.052 (0.134)	-0.069 (0.095)
<b>Post-Expansion Period</b>										
Treat × I[t = 07 1998] ( $\gamma_3$ )	-0.202 (0.124)	-0.196* (0.118)	-0.563 (0.214)	-0.416** (0.185)	-0.601 (0.286)	-0.487** (0.241)	-0.061 (0.175)	-0.151 (0.148)	-0.079 (0.126)	-0.096 (0.085)
Treat × I[t = 08 1998] ( $\gamma_4$ )	-0.26 (0.130)	-0.254** (0.127)	-0.575 (0.213)	-0.428** (0.190)	-0.642 (0.292)	-0.528** (0.257)	-0.179 (0.187)	-0.269* (0.161)	0.054 (0.175)	0.036 (0.208)
Treat × I[t = 09 1998] ( $\gamma_5$ )	-0.236 (0.102)	-0.230 (0.097)	-0.398 (0.156)	-0.251* (0.134)	-0.417 (0.224)	-0.303 (0.188)	-0.213 (0.161)	-0.303** (0.140)	0.018 (0.160)	0.001 (0.191)
Treat × I[t = 10 1998] ( $\gamma_6$ )	-0.152 (0.107)	-0.146** (0.112)	-0.303 (0.149)	-0.155 (0.144)	-0.422 (0.215)	-0.309 (0.189)	-0.22 (0.159)	-0.310** (0.146)	0.001 (0.142)	-0.016 (0.174)
Treat × I[t = 01 1999] ( $\gamma_9$ )	-0.182 (0.085)	-0.175 (0.087)	-0.244 (0.122)	-0.097 (0.128)	-0.402 (0.201)	-0.288 (0.198)	-0.291 (0.136)	-0.381*** (0.140)	0.017 (0.120)	0.000 (0.151)
Treat × I[t = 04 1999] ( $\gamma_{12}$ )	-0.088 (0.062)	-0.081** (0.069)	-0.191 (0.114)	-0.043 (0.136)	-0.306 (0.202)	-0.192 (0.231)	-0.137 (0.100)	-0.227 (0.146)	-0.012 (0.066)	-0.029 (0.105)
First Differenced Estimation	Yes		Yes		Yes		Yes		Yes	
Firm Fixed Effects and Trends	Yes		Yes		Yes		Yes		Yes	
Month Dummies	Yes		Yes		Yes		Yes		Yes	
Observations (Firm-Month)	1,654		1,585		993		993		501	
Clusters (Firms)	95		94		69		69		36	
R-squared	0.12		0.15		0.21		0.22		0.23	

**Table IA.3**  
**Coefficients for Difference-in-Differences Estimation of Table 3**

Estimated difference-in-differences (DD) effect of the registry expansion announcement (interim period) and public information (post-expansion period) on default hazard rates, using specification (2):

$$I[Default_{it} = 1 | Default_{it-1} = 0]_{it} = \xi_i + \sum_{m=2}^{12} \lambda_m \cdot Treat_i \cdot I(m=t) + \zeta_{it}$$

Sample: firms with total debt between \$175,000 and \$225,000 before April 1998, and whose highest (worst) risk rating during the pre-announcement period is a 2, and with at least one rating of 2 (firms with only good ratings excluded). Columns 1 through 4 are estimated over the subsample of firms with multiple lenders, and column 5 on the subsample with a single lender, before the expansion announcement. Dependent variables: conditional default of borrower  $i$  at time  $t$  with any bank (columns 1 and 5), default with the banks that assigned the worst rating (columns 2 and 3), and default with the banks that assigned the best rating (column 4). Each  $\lambda_t$  represents the difference in a monthly default hazard rate between treatment (affected by registry expansion) and control firms. DD estimates obtained by subtracting from each coefficient  $\lambda_t$  the average coefficients in the pre-expansion period,  $\lambda_{-2}, \lambda_{-1}$ , and  $\lambda_0$  (February through April 1998). Statistical significance of the DD estimates based on Wald test of null that linear combination of regression coefficients is equal to zero. \*, \*\*, and \*\*\* indicate test statistically significant at the 10%, 5%, and 1% level.

Susample: Max Risk Rating Before April	2		2 (at least one 1)				2 (single lender)			
Dependent Variable: 1 if relationship in default at t, not in default at t-1	Default with any bank		Default with bank w/ Rating = 2		Default with bank w/ Rating = 2		Default with bank w/ Rating = 1		Default with any bank	
	(1)	(2)	(3)	(4)	(5)					
	$\lambda_t$	DD ( $\lambda_t - \lambda_{pre}$ )	$\lambda_t$	DD ( $\lambda_t - \lambda_{pre}$ )	$\lambda_t$	DD ( $\lambda_t - \lambda_{pre}$ )	$\lambda_t$	DD ( $\lambda_t - \lambda_{pre}$ )	$\lambda_t$	DD ( $\lambda_t - \lambda_{pre}$ )
<b>Interim Period</b>										
Treat × I[t = 05 1998] ( $\lambda_1$ )	0.193 (0.071)	0.168*** (0.065)	0.166 (0.062)	0.111* (0.052)	0.136 (0.071)	0.122* (0.066)	0.052 (0.058)	0.086 (0.070)	-0.137 (0.206)	0.033 (0.089)
Treat × I[t = 06 1998] ( $\lambda_2$ )	0.055 (0.063)	0.030 (0.052)	0.025 (0.052)	-0.030 (0.033)	-0.018 (0.057)	-0.032 (0.045)	0.064 (0.056)	0.097 (0.063)	-0.198 (0.197)	-0.028 (0.053)
<b>Post-Expansion</b>										
Treat × I[t = 07 1998] ( $\gamma_3$ )	0.109 (0.059)	0.084* (0.046)	0.115 (0.058)	0.060 (0.044)	0.034 (0.048)	0.020 (0.026)	0.005 (0.006)	0.039** (0.019)	-0.052 (0.211)	0.118 (0.103)
Treat × I[t = 10 1998] ( $\gamma_6$ )	0.118 (0.063)	0.093* (0.053)	0.123 (0.061)	0.069 (0.050)	0.118 (0.078)	0.104 (0.075)	-0.004 (0.018)	0.029 (0.023)	-0.147 (0.193)	0.023 (0.038)
Treat × I[t = 01 1999] ( $\gamma_9$ )	0.098 (0.063)	0.073 (0.053)	0.053 (0.048)	-0.002 (0.028)	0.004 (0.054)	-0.010 (0.043)	0.076 (0.065)	0.109 (0.072)	-0.147 (0.193)	0.023 (0.038)
Treat × I[t = 04 1999] ( $\gamma_{12}$ )	0.073 (0.044)	0.048* (0.025)	0.073 (0.044)	0.018 (0.020)	0.038 (0.044)	0.024 (0.025)	0.000 (0.001)	0.033* (0.019)	-0.137 (0.192)	0.033 (0.039)
Month Dummies	Yes		Yes		Yes		Yes		Yes	
Observations (Firm-Month)	1,654		1,585		993		993		501	
Clusters (Firms)	95		94		69		69		36	
R-squared	0.21		0.18		0.18		0.25		0.18	

**Table IA.4**  
**Coefficients for Difference-in-Differences Estimation of Table 4**

Estimated difference-in-differences (DD) effect of the registry expansion announcement (interim period) and public information (post-expansion period) on (log) debt levels using specification (1) (columns 1 through 3), and default hazard rates using specification (2) (columns 4 through 6). Sample: firms with total debt between \$175,000 and \$225,000 before April 1998, and whose highest (worst) risk rating during the pre-announcement period is a 2. The sample is the same as in Tables 2 and 3, but also includes firms with only good ratings (rating=1) before the registry expansion. Coefficients  $\lambda_t$  represent the monthly (log) debt of firms in the treatment group relative to firms in the control in columns 1 through 3, the difference in monthly default hazard rate between treatment and control firms in columns 4 through 6. DD estimates obtained by subtracting from each coefficient the average coefficients in the pre-expansion period (February through April 1998). Statistical significance of the DD estimates based on Wald test of null that difference is equal to zero. \*, \*\*, and \*\*\* indicate test statistically significant at the 10%, 5%, and 1% level, respectively.

Dependent Variable	ln(Debt <sub>it</sub> )						1 if relationship in default at t with any bank (not at t-1)					
	All		Multiple Lenders		Single Lender		All		Multiple Lenders		Single Lender	
	(1)	(2)	(3)	(4)	(5)	(6)	(4)	(5)	(6)	(4)	(5)	(6)
Subsample: by # lenders before April	$\gamma_t$	DD ( $\gamma_t - \gamma_{Pre}$ )	$\gamma_t$	DD ( $\gamma_t - \gamma_{Pre}$ )	$\gamma_t$	DD ( $\gamma_t - \gamma_{Pre}$ )	$\lambda_t$	DD ( $\lambda_t - \lambda_{Pre}$ )	$\lambda_t$	DD ( $\lambda_t - \lambda_{Pre}$ )	$\lambda_t$	DD ( $\lambda_t - \lambda_{Pre}$ )
<b>Interim Period</b>												
Treat × I[t = 05 1998] ( $\gamma_{t1}$ )	0.091 (0.041)	0.02 (0.024)	0.09 (0.050)	-0.004 (0.028)	0.084 (0.068)	0.054 (0.042)	0.015 (0.022)	0.026* (0.014)	0.041 (0.024)	0.043** (0.019)	-0.012 (0.037)	0.001 (0.022)
Treat × I[t = 06 1998] ( $\gamma_{t2}$ )	0.078 (0.049)	0.006 (0.036)	0.104 (0.062)	0.01 (0.048)	0.057 (0.085)	0.027 (0.060)	0.027 (0.024)	0.038** (0.017)	0.055 (0.024)	0.057*** (0.022)	-0.006 (0.037)	0.006 (0.023)
<b>Post-Expansion (Long Run)</b>												
Treat × I[t = 07 1998] ( $\gamma_{t3}$ )	0.046 (0.051)	-0.025 (0.041)	0.054 (0.064)	-0.04 (0.053)	0.05 (0.091)	0.02 (0.065)	0.011 (0.022)	0.022 (0.014)	0.000 (0.016)	0.002 (0.010)	0.036 (0.045)	0.048 (0.034)
Treat × I[t = 10 1998] ( $\gamma_{t6}$ )	0.049 (0.054)	-0.023 (0.050)	0.033 (0.070)	-0.06 (0.066)	0.076 (0.084)	0.045 (0.067)	0.002 (0.021)	0.013 (0.013)	0.008 (0.020)	0.01 (0.015)	0.012 (0.039)	0.024 (0.026)
Treat × I[t = 01 1999] ( $\gamma_{t9}$ )	-0.027 (0.043)	-0.099** (0.045)	-0.05 (0.050)	-0.144** (0.061)	0.025 (0.084)	-0.005 (0.066)	-0.007 (0.020)	0.004 (0.011)	0.001 (0.019)	0.003 (0.014)	-0.008 (0.033)	0.004 (0.015)
Treat × I[t = 04 1999] ( $\gamma_{t12}$ )	-0.009 (0.023)	-0.081** (0.034)	-0.008 (0.029)	-0.101** (0.048)	-0.002 (0.033)	-0.032 (0.040)	0.012 (0.023)	0.023 (0.016)	0.028 (0.022)	0.03* (0.018)	0.012 (0.042)	0.024 (0.032)
First Differenced Estimation	Yes		Yes		Yes							
Firm Fixed Effects	Yes		Yes		Yes		Yes		Yes		Yes	
Firm Specific Trends	Yes		Yes		Yes							
Month Dummies	Yes		Yes		Yes		Yes		Yes		Yes	
In sample after default?							No		No		No	
Observations (Firm-Month)	16,859		8,686		8,173		14,346		7,234		7,112	
Clusters (Firms)	1,006		505		501		1,006		505		501	
R-squared	0.11		0.12		0.10		0.18		0.18		0.17	

**Table IA.5**

**Coefficients for Estimation of Effect on Debt Growth Distribution for Table 5**

Estimated effect of the registry expansion announcement (interim period) and public information (post-expansion period) on debt growth rate quantiles  $\psi_\tau$ , that minimize the weighted check functions of the residuals of the following specification:

$$\frac{Debt_{it} - Debt_{it-1}}{Debt_{it-1}} = \left[ \delta_i + \sum_{m=2}^{12} \psi_{\tau_m} \cdot Treat_i I(m=t)_i \right] + \nu_{it}$$

Sample: firms with total debt between \$175,000 and \$225,000 before April 1998, and whose highest (worst) risk rating during the pre-announcement period is a 2. Dependent variable: percentage total debt growth of firm  $i$  at time  $t$ . A  $\psi_\tau$  is estimated for every month, and represents the difference in the  $\tau$ -th percentile of debt growth at month  $t$  between the treatment and the control firms. The reported estimate is the difference between each quantile  $\psi_\tau$  after April 1998 and the average quantile in the pre-expansion period (February through April 1998). Statistical significance is based on Wald test of null that linear combination of quantiles is equal to zero (based on bootstrapped standard errors with 400 repetitions for  $\psi_\tau$ ). \*, \*\*, and \*\*\* indicate test statistically significant at the 10%, 5%, and 1% level, respectively. The unconditional debt growth quantiles for the pre-expansion sample are reported at the bottom of the table.

Dependent Variable	(Debt <sub>it</sub> - Debt <sub>it-1</sub> ) / Debt <sub>it-1</sub>									
	5%		10%		50%		90%		95%	
	(1)	(2)	(3)	(4)	(5)	$\psi_\tau$	$\psi_\tau - \psi_{Pre}$	$\psi_\tau$	$\psi_\tau - \psi_{Pre}$	
<b>Interim Period</b>										
Treat × I[ $t = 05$ 1998] ( $\psi_1$ )	0.025 (0.115)	0.040 (0.120)	-0.016 (0.024)	0.009 (0.031)	0.004 (0.005)	0.004 (0.007)	-0.015 (0.054)	-0.200*** (0.072)	-0.148 (0.139)	-0.399** (0.160)
Treat × I[ $t = 06$ 1998] ( $\psi_2$ )	-0.039 (0.126)	-0.025 (0.130)	-0.002 (0.077)	0.023 (0.080)	0.007 (0.004)	0.007 (0.006)	0.009 (0.040)	-0.177*** (0.062)	-0.066 (0.068)	-0.317*** (0.101)
<b>Post-Expansion (Long Run)</b>										
Treat × I[ $t = 07$ 1998] ( $\psi_3$ )	-0.097 (0.143)	-0.082 (0.149)	-0.046 (0.063)	-0.021 (0.067)	-0.004 (0.007)	-0.004 (0.008)	0.011 (0.039)	-0.175*** (0.060)	-0.060 (0.107)	-0.311** (0.126)
Treat × I[ $t = 10$ 1998] ( $\psi_6$ )	-0.013 (0.068)	0.001 (0.080)	-0.017 (0.040)	0.008 (0.043)	0.004 (0.005)	0.004 (0.007)	-0.074 (0.052)	-0.260*** (0.071)	-0.111 (0.089)	-0.362*** (0.123)
Treat × I[ $t = 01$ 1999] ( $\psi_9$ )	0.038 (0.070)	0.052 (0.077)	0.006 (0.024)	0.031 (0.031)	0.000 (0.006)	0.000 (0.007)	-0.001 (0.039)	-0.186*** (0.060)	-0.117 (0.089)	-0.368*** (0.114)
Treat × I[ $t = 04$ 1999] ( $\psi_{12}$ )	0.068 (0.044)	0.082 (0.058)	0.044 (0.025)	0.069** (0.032)	0.007 (0.005)	0.006 (0.007)	0.018 (0.038)	-0.168*** (0.060)	0.018 (0.163)	-0.233 (0.181)
Month Dummies	Yes		Yes		Yes		Yes		Yes	
Observations (Firm-Month)	8,686		8,686		8,686		8,686		8,686	
<b>Pre-Expansion Quantiles</b>										
All firms	5%		10%		50%		90%		95%	
Affected firms	-0.201		-0.119		-0.004		0.130		0.255	
Control firms	-0.231		-0.159		-0.003		0.276		0.411	
	-0.201		-0.115		-0.005		0.080		0.186	

**Table IA.6**  
**Coefficients for Difference-in-Differences Estimation of Table 6**

Estimated difference-in-differences (DD) effect of the registry expansion announcement (interim period) and public information (post-expansion period) on debt concentration, using specification (1):

$$y_{it} = \alpha_i + \xi_t + \delta_i t + \sum_{m=-2}^{12} \gamma_m \cdot \text{Treat}_i I(m=t)_t + \varepsilon_{it}$$

Sample: Sample: firms with total debt between \$175,000 and \$225,000 before April 1998, and whose highest (worst) risk rating during the pre-announcement period is a 2, and multiple lenders before April 1998. The dependent variables are the (log) number of lenders, the debt HHI, and the fraction of debt with the main lender, of firm  $i$  at month  $t$ . Right-hand side variable of interest: interaction between a dummy equal to one if borrower  $i$  was in the treatment group (information not shared before registry expansion), and a month dummy. Coefficients  $\gamma_t$  represent the difference in the debt concentration between treatment and control firms in month  $t$ . DD estimates are obtained by subtracting from each coefficient  $\gamma_t$  the average coefficients in the pre-expansion period,  $\gamma_{-2}$ ,  $\gamma_{-1}$ , and  $\gamma_0$  (February through April 1998). Statistical significance of DD estimates based on Wald test of null that the difference is equal to zero. \*, \*\*, and \*\*\* indicate test statistically significant at the 10%, 5%, and 1% level.

Dependent Variable	ln(#Lenders <sub>it</sub> )		DebtHHI <sub>it</sub>		%TopLender <sub>it</sub>	
	(1)		(2)		(3)	
	$\gamma_t$	DD ( $\gamma_t - \gamma_{Pre}$ )	$\gamma_t$	DD ( $\gamma_t - \gamma_{Pre}$ )	$\gamma_t$	DD ( $\gamma_t - \gamma_{Pre}$ )
<b>Interim Period</b>						
Treat × I[t = 05 1998] ( $\gamma_1$ )	0.158 (0.049)	0.021 (0.021)	-0.111 (0.025)	0.006 (0.010)	-0.085 (0.020)	0.005 (0.009)
Treat × I[t = 06 1998] ( $\gamma_2$ )	0.168 (0.047)	0.031 (0.025)	-0.093 (0.025)	0.024** (0.012)	-0.07 (0.020)	0.020* (0.011)
<b>Post-Expansion (Long Run)</b>						
Treat × I[t = 07 1998] ( $\gamma_3$ )	0.174 (0.043)	0.037 (0.028)	-0.085 (0.024)	0.032*** (0.014)	-0.067 (0.019)	0.023* (0.012)
Treat × I[t = 10 1998] ( $\gamma_6$ )	0.122 (0.038)	-0.015 (0.031)	-0.057 (0.019)	0.060*** (0.017)	-0.046 (0.016)	0.044*** (0.014)
Treat × I[t = 01 1999] ( $\gamma_9$ )	0.075 (0.027)	-0.062 (0.041)	-0.04 (0.014)	0.077*** (0.020)	-0.033 (0.012)	0.057*** (0.016)
Treat × I[t = 04 1999] ( $\gamma_{12}$ )	0.032 (0.017)	-0.105** (0.046)	-0.007 (0.008)	0.110*** (0.025)	-0.007 (0.008)	0.083*** (0.019)
First Differenced Estimation	Yes		Yes		Yes	
Firm Fixed Effects	Yes		Yes		Yes	
Firm Specific Trends	Yes		Yes		Yes	
Month Dummies	Yes		Yes		Yes	
Observations (Firm-Month)	8,686		8,686		8,686	
Clusters (Firms)	505		505		505	
R-squared	0.22		0.17		0.17	

**Table IA.7**

**Coefficients for Difference-in-Differences Estimation of Table A1**

Estimated difference-in-differences (DD) effect of the registry expansion on the correlation across lending decisions of different banks to the same firms using the following specification:

$$\ln(Debt_{ijt}) = \alpha_{ij} + \delta_t + \tau_{it} + \sum_{m=2}^{12} \beta_{1-m} \cdot \ln(TDebt_{i(-j)t}) I(m=t)_t + \sum_{m=2}^{12} \beta_{2-m} \cdot \ln(TDebt_{i(-j)t}) Treat_i \cdot I(m=t)_t + \varepsilon_{it}$$

Sample: Sample: firms with total debt between \$175,000 and \$225,000 before April 1998, and whose highest (worst) risk rating during the pre-announcement period is a 2, and multiple lenders before April 1998. The dependent variable is the (log) debt by firm  $i$  with bank  $j$  at month  $t$ . The right hand side variable of interest is the log of the total debt of firm  $i$  with all other lenders except  $j$  at time  $t$ , interacted with a dummy equal to one if firm  $i$  is in the treatment group, and interacted with month dummies. The coefficients  $\beta_{2-t}$  measure the difference in the contemporaneous partial correlation of the changes in debt across all the lenders of firm  $i$  at month  $t$ . We estimate by first differencing over two months to reduce the noise inherent in monthly lending changes. Column 2 shows the estimates when banks lagged one month to eliminate the mechanical correlation across observations for the same firm at month  $t$ . DD estimates are obtained by subtracting from each coefficient  $\gamma_t$  the average coefficients in the pre-expansion period,  $\gamma_{-2}$ ,  $\gamma_{-1}$ , and  $\gamma_0$  (February through April 1998). Statistical significance of DD estimates based on Wald test of null that the difference is equal to zero. \*, \*\*, and \*\*\* indicate test statistically significant at the 10%, 5%, and 1% level.

Dependent Variable	ln(Total Debt from Banks other than $j_{it}$ )		ln(Total Debt from Banks other than $j_{it+1}$ )	
	(1)		(2)	
	$\gamma_t$	DD ( $\gamma_t - \gamma_{Pre}$ )	$\gamma_t$	DD ( $\gamma_t - \gamma_{Pre}$ )
<b>Interim Period</b>				
Treat × I[t = 05 1998] ( $\gamma_1$ )	0.006 (0.012)	0.002 (0.014)	0.008 (0.01)	0.008 (0.016)
Treat × I[t = 06 1998] ( $\gamma_2$ )	0.109 (0.052)	0.104 (0.099)	0.072 (0.09)	0.072 (0.084)
<b>Post-Expansion</b>				
Treat × I[t = 07 1998] ( $\gamma_3$ )	0.166 (0.063)	0.162*** (0.062)	0.188 (0.07)	0.187*** (0.073)
Treat × I[t = 10 1998] ( $\gamma_6$ )	0.025 (0.058)	0.02 (0.059)	0.059 (0.05)	0.059 (0.052)
Treat × I[t = 01 1999] ( $\gamma_9$ )	-0.035 (0.048)	-0.039 (0.049)	-0.005 (0.05)	-0.005 (0.050)
Treat × I[t = 04 1999] ( $\gamma_{12}$ )	-0.011 (0.019)	-0.016 (0.021)	-0.02 (0.03)	-0.02 (0.031)
First Differenced Estimation (2 months)	Yes		Yes	
Debt x Month Dummies	Yes		Yes	
Firm specific trends	Yes		Yes	
Firm Fixed Effects	Yes		Yes	
Bank-Month dummies	Yes		Yes	
Observations (firm-bank-months)	20,306		20,306	
Clusters (firms)	495		495	
R-squared	0.04		0.04	